

Question and Answer for Addendum #4

Question: The efforts on CEC's part to modify the contract language are very helpful. Can you tell me if the agency plans to address / modify other terms in the standard agreement such as the unlimited liability? If so, can you give me an indication on the timing of future addendum?

Response: The Energy Commission is not planning to issue a future addendum for RFP 150-09-101. Addendum #4, sent to bidders on December 29, 2009, contains a modified indemnification term that will replace the state's standard indemnification term in GTC 307. The modified term is in response to comments and questions we received at the bidders' conference regarding certain bidders' concerns about unlimited liability under the state's standard indemnification term. The Energy Commission, after consulting with the Department of General Services, received approval only to replace the standard term with the modified term, which narrows the scope of a contractor's liability to matters resulting from the "willful misconduct or negligent acts or omission" of the contractor or any of its agents, subcontractors, employees, etc.